



Annual report for your co-operative

This is the annual report for:

Your reporting period is:

At the end of your reporting period:

No. full-time employees: _____
No. part-time employees: _____
No. active members: _____
No. memberships cancelled: _____
No. shares forfeited: _____

Your annual general meeting

The meeting was held

☐ No ☐ Yes, when _____

The financial accounts were presented at the AGM

☐ Yes ☐ No

Please attach the financial accounts, including those of any subsidiaries of your co-operative

The auditor's report was presented at the AGM

☐ Yes ☐ No

Please attach the auditor's report, including reports about any subsidiaries of your co-operative

At the beginning of your new reporting period

The current secretary is

Name _____

Home address _____

Phone No _____

Please attach a list of the names and addresses of all other secretaries of subsidiaries of your co-operative

And if applicable, the current principal executive officer is

Name _____

Home address _____

Please attach a list of the names and addresses of all other principal executive officers of subsidiaries of your co-operative

The current directors are - including those appointed at the last AGM

Name _____

Home address _____

Occupation _____

Date of Birth _____ Place of Birth _____

Name _____

Home address _____

Occupation _____

Date of Birth _____ Place of Birth _____

Name _____

Home address _____

Occupation _____

Date of Birth _____ Place of Birth _____

Name _____

Home address _____

Occupation _____

Date of Birth _____ Place of Birth _____

Please attach a separate page with details of any other directors if you need more room

Signature of secretary or principal executive officer _____ Date _____

NOTE The fee payable is \$40.00

Cheques or money orders should be made payable to "Consumer Affairs Victoria".

Credit card payments Visa/Mastercard/Bankcard/American Express/Diners can be made by inserting details in the area provided over the page.

Please complete the Financial Summary form over the page.

Make sure you attach to this form ☐ the financial accounts ☐ the auditor's report

Financial Summary

Total revenue (gross)		\$	
Net surplus/(deficit) after tax for the year		\$	
Total C'wealth/State government grants received during the year (gross)		\$	
Total amount of Government Guarantee loans outstanding at the end of financial year		\$	
Issued capital (where applicable)	A	\$	
Uncalled capital/Call in arrears	B	\$	
Paid up capital/Members' benefits	C=A-B	\$	
Reserves	D	\$	
Retained earnings	E	\$	
Shareholders' funds	F=C+D+E	\$	
Current liabilities (including government guarantee loans)	G	\$	
Non-current liabilities (including government guarantee loans)	H	\$	
Total equity & liabilities	X=F+G+H	\$	
Current assets	J	\$	
Non-current assets	K	\$	
Total assets	Y=J+K	\$	

Auditor details

Name

Firm Name

Address

Phone No. Fax No.

NOTE

Total equity & liabilities (X) should equal Total assets (Y)

The auditor must be an approved company auditor under the provisions of the Co-operatives Act 1996 (Victoria)

Credit Card Payment Slip

Type of card

☐ Visa
 ☐ Mastercard
 ☐ Bankcard
 ☐ Amex
 ☐ Diners Club

Card number

Card expiry date

/

Amount

40.00

Name of cardholder

CCV number *(see note at right)

*Note on new CCV numbers: Credit card cards are now issued with a CCV number. This is the last three numbers located on the signature strips on the back of the card.

Signature of cardholder

Date

/ /

If your credit card has been allocated this number enter the 3 numbers in the space provided.

Privacy Consumer Affairs Victoria is bound by laws that protect your privacy concerning the collection, use and disclosure of your personal information. Where you do not provide the information required by this form, we may refuse or be unable to process this transaction. We may need to disclose your personal information to other State and Commonwealth agencies.

You can request access to your personal information by contacting us. Our privacy statement is available at www.consumer.vic.gov.au



CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

FOR THE YEAR ENDED 30 JUNE 2006

Financial Statements

CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE, 2006**

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CO-OPERATIVE FEDERATION OF VICTORIA LTD

DIRECTORS' REPORT

To the members,

Your directors submit their report, together with the audited accounts of the Federation, for the year ended 30 June 2006.

DIRECTORS

The Directors in office during the year and up to the date of this report are:

John Niel BLACK
David Graham DINNING
Graeme John CHARLES
Anthony Francis O'SHEA
Helen KEELINGS

PRINCIPAL ACTIVITIES

The principal activities of the Federation in the course of the financial year were:

- Maintaining relations with the Registry of Co-operatives
- Maintenance of Australian Co-operative portal <www.australia.coop>
- Promoting the Co-operative option
- Conducting seminars and workshops
- Participating in meetings of the Co-operatives Council of Australia
- Development of a Co-operative education program
- Fostering co-operation between Co-operatives.

OPERATING RESULTS FOR THE YEAR

The deficit of the Federation for the financial year after provision for income tax was \$2,655 (2005: \$1,082).

ENVIRONMENTAL REGULATION

The Co-operative's activities are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

DIVIDENDS

The Directors recommend that no amount should be paid by way of dividend. No amount has been paid or declared by way of dividend since the end of the previous financial year.

REVIEW OF OPERATIONS

The Federation concluded the financial year with an operating deficit of \$2,655 after provision for income tax compared to a deficit of \$1,082 the previous year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Federation over the year.

AFTER BALANCE DATE EVENTS

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the Federation's operations for the next succeeding financial year.

INFORMATION ON DIRECTORS

Anthony Francis O'Shea

Chairman
Director and Secretary, Avoca District Co-operative Ltd
26 years experience as Co-operative Director/Manager

John Niel Black

Past Chairman
31 years experience as Co-operative Director

David Graham Dinning

Independent Director
31 years as a Director and Manager and full-time professional at various levels of the Credit Co-operative movement in Australia and overseas.

Graeme John Charles

Director
Director of North East Telecommunications Co-operative Ltd.
Director of Co-operative Energy Limited.

Helen Keelings

Director
Appointed December 2005, resigned February 2006

Eight board meetings were held during the 2005/06 year. The attendances at board meetings were:

- D. Dinning attended 8 out of 8 meetings
- N. Black attended 8 out of 8 meetings
- A. O'Shea attended 8 out of 8 meetings
- G. Charles attended 6 out of 8 meetings
- H. Keelings attended 1 out of 1 meetings

DIRECTORS EMOLUMENTS

Directors are not paid any fees for services as a director. The directors were paid fees for consultancy services and reimbursements as follows:

	Consultancy Fees \$	Reimbursements \$	Total \$
John Niel BLACK	-	-	-
David Graham DINNING	-	-	-
Graeme John CHARLES	456	-	456
Anthony Francis O'SHEA	-	-	-
Helen KEELINGS	-	-	-
	<hr/>	<hr/>	<hr/>
Total	456	-	456

Excepting the amounts disclosed above, since the end of the previous financial year, no Director of the Federation has received or become entitled to receive a benefit, by reason of a contract made by the

Federation with the Director or with a firm of which he/she is a member or with a company in which he/she has a substantial financial interest.

No director has an interest in a contract which the directors are entitled to a benefit which confers a right to call for or deliver shares in, or debentures of or interest in a registered scheme made available by the Federation or a related body corporate.

INDEMNIFYING OFFICERS OR AUDITORS

The Federation has paid a premium to insure directors and officers against liability for costs and expense incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of a director or officer of the Federation, other than conduct involving wilful breach of duty in relation to the Federation.

The Federation has not given or entered into an agreement to indemnify any person who is or has been an officer or auditor of the Federation in relation to defending legal proceedings.

ADOPTION OF AUSTRALIAN EQUIVALENTS TO IFRS

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the company’s financial report has been prepared in accordance with those IFRS standards as contained in Note 1 to this report.

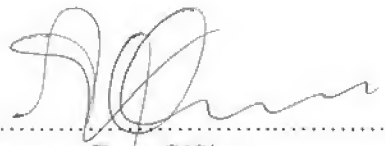
AUDITOR’S INDEPENDENCE DECLARATION

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of the Board and is signed for and on behalf of the Directors.

Signed on this 20th day of October, 2006.


.....
Director – Graeme Charles


.....
Director - Tony O'Shea

CO-OPERATIVE FEDERATION OF VICTORIA LTD

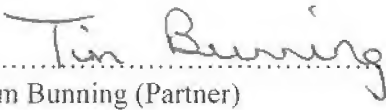
**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2006 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Signed this 19th day of October, 2006.

PROWSE, PERRIN & TWOMEY


.....
Tim Bunning (Partner)

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**INCOME STATEMENT
YEAR ENDED 30 JUNE 2006**

	Notes	2006 \$	2005 \$
INCOME			
Contribution to Education Project		1,000	-
Consultancy Fees - Secretary		11,113	-
Grant Income	2	10,363	8,089
International Co-operative Alliance Project		-	3,282
Membership Subscriptions		12,940	15,325
Publication Sales		-	220
Sundry Income		661	121
		<hr/>	<hr/>
		36,077	27,037
EXPENSES			
Annual Meeting		139	141
Auditors' Remuneration	3	1,408	1,619
Banking Charges		21	77
Consultant Fees		456	-
Cost Of Goods Sold		-	300
Depreciation		82	50
Education Project		2,580	614
Grant Expenditure		10,363	8,254
Honorariums	8	5,112	4,686
Insurance		53	2,200
International Co-operative Alliance Project		-	2,790
Meeting Expenses		433	296
Office & Computer Requisites		4,317	-
Postage, Printing & Stationery		507	3,853
Registry Fees		-	41
Secretary's Consultants Fees		9,772	-
Secretary's Reimbursements		421	273
Sundry Expenses		109	-
Telephone, Fax & Internet		2,959	2,934
		<hr/>	<hr/>
		38,732	28,128
OPERATING DEFICIT			
		<hr/>	<hr/>
		(2,655)	(1,091)

The accompanying notes form part of the accounts.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**INCOME STATEMENT
YEAR ENDED 30 JUNE 2006**

	Notes	2006 \$	2005 \$
Operating Surplus / (Deficit) Before Income Tax		(2,655)	(1,091)
Income Tax (Expense) / Benefit Attributable to Operating Surplus / (Deficit)	4	<u>-</u>	<u>9</u>
Operating Surplus / (Deficit) After Income Tax		(2,655)	(1,082)
Retained Surplus at the beginning of the Financial Year		<u>7,503</u>	<u>8,585</u>
Retained Surplus at the end of the Financial Year		<u><u>4,848</u></u>	<u><u>7,503</u></u>

The accompanying notes form part of the accounts.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**BALANCE SHEET
AS AT 30 JUNE 2006**

	Notes	2006 \$	2005 \$
CURRENT ASSETS			
Cash at Bank		4,245	18,229
Stock of Publications		<u>3,108</u>	<u>3,108</u>
Total Current Assets		<u>7,353</u>	<u>21,337</u>
NON-CURRENT ASSETS			
Investments			
- Community Enterprise Network (at cost)		10	10
- CPS Ltd (at cost)		10	10
Office Furniture and Equipment (at WDV)	5	198	280
Future Income Tax Benefit	4	<u>240</u>	<u>240</u>
Total Non-Current Assets		<u>458</u>	<u>540</u>
TOTAL ASSETS		<u>7,811</u>	<u>21,877</u>
CURRENT LIABILITIES			
Sundry Creditors		800	3,000
Grant Income Not Yet Expended		<u>517</u>	<u>9,728</u>
Total Liabilities		<u>1,317</u>	<u>12,728</u>
NET ASSETS		<u>6,494</u>	<u>9,149</u>
EQUITY			
Share Capital	6	540	590
Reserves		1,106	1,056
Retained Surplus		<u>4,848</u>	<u>7,503</u>
Total Equity		<u>6,494</u>	<u>9,149</u>

The accompanying notes form part of the accounts.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 JUNE 2006**

	Ordinary Shares	Retained Surplus	Forfeited Share Reserve	Statutory Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2004	590	8,585	740	316	10,231
Operating Surplus/(Deficit)	-	(1,082)	-	-	(1,082)
Balance at 30 June 2005	590	7,503	740	316	9,149
Operating Surplus/(Deficit)	-	(2,655)	-	-	(2,655)
Issued Capital	10	-	-	-	10
Refunded Capital	(10)	-	-	-	(10)
Transfer to Forfeited Shares Reserve	(50)	-	50	-	-
Balance at 30 June 2006	540	4,848	790	316	6,494

The accompanying notes form part of the accounts.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**CASH FLOW STATEMENT
YEAR ENDED 30 JUNE 2006**

	Notes	2006 \$ Inflows (Outflows)	2005 \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from operating activities		26,866	36,764
Cash Payments from operating activities		<u>(40,850)</u>	<u>(27,237)</u>
Net Cash Provided by Operating Activities	7(b)	<u>13,984</u>	<u>9,527</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Share Capital Received		10	-
Share Capital Refunded		<u>(10)</u>	<u>-</u>
Net Cash Provided by Financing Activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		(13,984)	9,527
Cash at the beginning of the financial year		<u>18,229</u>	<u>8,702</u>
Cash at the end of the financial year	7(a)	<u>4,245</u>	<u>18,229</u>

The accompanying notes form part of the accounts.

CO-OPERATIVE FEDERATION OF VICTORIA LTD
NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2006

1. Statement of Accounting Policies

a) Basis of Accounting

The Co-operative Federation of Victoria Ltd is a non-reporting entity because in the Directors' opinion there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all their information needs, and these accounts are therefore a "Special Purpose Financial Report" that has been prepared solely to meet the *Co-operatives Act 1996* requirements to prepare accounts.

The accounts have been prepared in accordance with the requirements of the *Co-operatives Act 1996*, and the following applicable Australian Accounting Standards and Urgent Issues Group Interpretations:

- AASB 101: Presentation of Financial Statements
- AASB 107: Cash Flow Statements
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110: Events after the Balance Sheet Date
- AASB 117: Leases
- AASB 1031: Materiality
- AASB 1048: Interpretation and Application of Standards

No other Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The accounts have been prepared under the historical cost convention and, therefore, do not take into account changing money values or, except where stated, the current value of monetary assets.

The accounting policies adopted are consistent with those applied in the previous year, unless specifically stated.

b) First-time Adoption of Australian Equivalents to International Financial Reporting Standards

As a result of the introduction of the Australian Equivalents to International Financial Reporting Standards (AIFRS), the Federation's financial report has been prepared in accordance with those standards. After consideration of the measurement and recognition criteria contained in the AIFRS, it was considered appropriate to state the comparative figures in the financial report at the amounts equivalent to that recorded under the previous Generally Accepted Accounting Principles (GAAP). Accordingly, no reconciliation has been provided in this report as otherwise required under AASB1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards.

c) Plant and Equipment

Plant and equipment are included at cost. All assets are depreciated over their useful lives by the straight line method.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2006**

d) Income Tax

The Co-operative Federation of Victoria Ltd adopts the liability method of tax-effect accounting whereby the income tax expense shown in the profit and loss account is based on the operating profit before income tax adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expenses are included in the determination of operating profit before income tax and taxable income, are brought to account as either a provision for deferred income tax or an asset described as future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable. Future income tax benefits relating to timing differences are not brought to account unless realisation of the asset is assured beyond reasonable doubt.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2006**

	2006 \$	2005 \$
2. Grant Income		
Consumer Affairs Victoria		
Unearned Income Brought Forward	9,728	-
Received during year	1,152	17,817
less: Unexpended at 30 June	<u>517</u>	<u>9,728</u>
	<u>10,363</u>	<u>8,089</u>
3. Auditors' Remuneration		
Charging as Expense		
Auditors' remuneration		
(i) auditing of accounts	800	800
(ii) accounting and taxation services	<u>608</u>	<u>819</u>
	<u>1,408</u>	<u>1,619</u>
(iii) acquittal audit	<u>682</u>	<u>165</u>
4. Income Tax Expense		
a) The prima face tax payable on operating surplus is reconciled to the income tax provided in the accounts as follows:		
Operating Deficit before Income Tax	(2,655)	(1,091)
Add Accrued Audit Fee	800	800
Less Prior Year Accrued Audit Fee	<u>(800)</u>	<u>(770)</u>
Tax Loss	(2,655)	(1,061)
Tax effect at company tax rate	(797)	(318)
Tax losses not brought to account	797	318
Increase in Future Income Tax Benefit	<u>-</u>	<u>9</u>
Income Tax Benefit	<u>-</u>	<u>9</u>
Future Income Tax Benefit relates to:		
• Timing Differences	<u>240</u>	<u>240</u>

CO-OPERATIVE FEDERATION OF VICTORIA LTD

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2006**

	2006 \$	2005 \$
5. Property, Plant & Equipment		
Office Furniture and Equipment		
At Cost	2,636	2,636
Accumulated depreciation	<u>(2,438)</u>	<u>(2,356)</u>
	<u>198</u>	<u>280</u>
6. Share Capital		
Issued capital: 270@\$2 shares (2005: 295@\$2) shares	<u>540</u>	<u>590</u>
7. Cash flow Statement Information		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash at Bank – Bendigo Bank	<u>4,245</u>	<u>18,229</u>
(b) Reconciliation of operating surplus/(loss) to net cash flows from operation as follows:		
Operating Deficit After Income Tax	(2,655)	(1,082)
Depreciation	82	50
(Increase)/decrease in stock	-	300
(Increase)/decrease in sundry debtors	-	-
Increase/(decrease) in sundry creditors	(2,200)	540
(Increase)/decrease in FITB	-	(9)
Increase/(decrease) in unearned income	<u>(9,211)</u>	<u>9,728</u>
Cash flows from operations	<u>(13,984)</u>	<u>9,527</u>
8. Honorariums	<u>5,112</u>	<u>4,686</u>

Honorarium payments are to the Secretary. The Secretary is the sole recipient of any honorarium payments.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

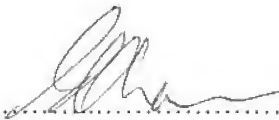
DIRECTORS DECLARATION

The Directors have determined that the Federation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors declare that:

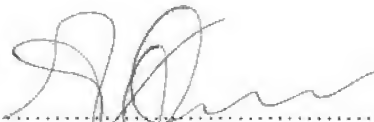
1. The financial statements and notes, as set out on pages 5 to 13:
 - a. comply with Accounting Standards as described in Note 1 to the financial statements and the *Co-operatives Act 1996*; and
 - b. give a true and fair view of the Federation's financial position as at 30 June 2006 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they become due and payable.

Signed this 20th day of October, 2006 in accordance with a resolution of Directors.



.....

Director - Graeme Charles



.....

Director - Tony O'Shea

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CO-OPERATIVE FEDERATION OF VICTORIA LTD**

Scope

We have audited the attached financial report, being a special purpose financial report of Co-operative Federation of Victoria Ltd., comprising the Declaration by Directors, Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to and forming part of the accounts for the year ended 30 June, 2006. The Federation's directors are responsible for the preparation and presentation of the accounts and the information they contain. We have conducted an independent audit of these accounts in order to express an opinion on them to the members of the Federation. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the *Co-operatives Act 1996*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the Federation's financial position and performance as represented by the results of its operations and its cash flows..

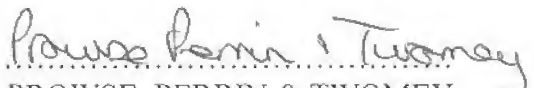
The audit opinion expressed in this report has been formed on the above basis.

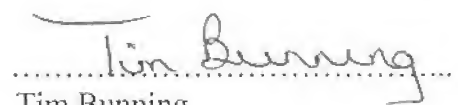
Audit Opinion

In our opinion, the financial report of the Federation is in accordance with:

- a) The *Corporations Act 2001*, including:
 - i) giving a true and fair view of the Federation's position as at 30 June 2006 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - ii) complying with Accounting Standards in Australia to the extent described in Note 1 and the *Corporations Regulations 2001*; and
- b) The Provisions of the *Co-Operatives Act 1996*.
- c) Other mandatory professional reporting requirements to the extent described in Note 1.

Signed at Ballarat this 23rd day of October, 2006.


PROWSE, PERRIN & TWOMEY
Certified Practising Accountants


Tim Bunning
(Registered Company Auditor)
(Reg. No. 16233)